

HOUSE BILL 1143

C2
HB 752/10 – ECM

11r2742

By: **Delegate Sophocleus**

Introduced and read first time: February 14, 2011

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Business Regulation – Secondhand Precious Metal Object Dealers –**
3 **Exempted Transactions and Record Keeping Requirements**

4 FOR the purpose of exempting certain transactions of certain retail jewelers from the
5 requirement to hold a secondhand precious metal object dealer license;
6 authorizing certain dealers to identify certain items by certain methods;
7 requiring a certain law enforcement unit to adopt certain procedures for certain
8 dealers to amend certain records; making certain stylistic changes; and
9 generally relating to exempted transactions and the record keeping
10 requirements of secondhand precious metal object dealers.

11 BY repealing and reenacting, with amendments,
12 Article – Business Regulation
13 Section 12–102(b), 12–301(d), and 12–304
14 Annotated Code of Maryland
15 (2010 Replacement Volume and 2010 Supplement)

16 BY repealing
17 Article – Business Regulation
18 Section 12–301(e)
19 Annotated Code of Maryland
20 (2010 Replacement Volume and 2010 Supplement)

21 BY adding to
22 Article – Business Regulation
23 Section 12–301(e)
24 Annotated Code of Maryland
25 (2010 Replacement Volume and 2010 Supplement)

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
27 MARYLAND, That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article – Business Regulation**

2 12–102.

3 (b) If a retail jeweler has a fixed business address in the State, this title does
4 not apply to a transaction in which the retail jeweler:

5 (1) accepts, in accordance with a posted return policy, the return of an
6 item that the jeweler originally sold;

7 (2) accepts, in accordance with a published trade-in policy,
8 merchandise in trade that the jeweler originally sold;

9 (3) repossesses merchandise that the jeweler originally sold, if the
10 original buyer has defaulted; [or]

11 (4) retains merchandise that the jeweler originally accepted for repair
12 as a bailee for hire, if the customer who deposited the merchandise:

13 (i) defaulted; or

14 (ii) failed to reclaim the merchandise within the time agreed on
15 with the jeweler; **OR**

16 **(5) ACCUMULATES PIECES OF PRECIOUS METALS IN THE COURSE**
17 **OF PERFORMING REPAIRS, REMOUNTINGS, FABRICATIONS, OR CUSTOM**
18 **ORDERS.**

19 12–301.

20 (d) **(1) [A] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A**
21 **separate record entry shall be made for each item involved in a transaction.**

22 **(2) [However, items] ITEMS** in a matching set may be recorded as a
23 set if acquired in a single transaction.

24 [(e) The dealer shall tag each item individually with a number that
25 corresponds to the transaction under which it was acquired. However, items acquired
26 in a matching set may be tagged as a set.]

27 **(E) (1) THE DEALER MAY IDENTIFY ITEMS HELD DURING THE**
28 **HOLDING PERIOD BY:**

1 **(I) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,**
2 **TAGGING EACH ITEM INDIVIDUALLY WITH A NUMBER THAT CORRESPONDS TO**
3 **THE TRANSACTION UNDER WHICH IT WAS ACQUIRED; OR**

4 **(II) KEEPING THE ITEMS ACQUIRED IN EACH TRANSACTION**
5 **IN A SEPARATE CONTAINER WITH EITHER THE NUMBER OF THE TRANSACTION**
6 **REPORT AFFIXED TO THE CONTAINER OR A COPY OF THE TRANSACTION REPORT**
7 **ATTACHED TO THE CONTAINER.**

8 **(2) ITEMS IN A MATCHING SET MAY BE TAGGED AS A SET IF**
9 **ACQUIRED IN A SINGLE TRANSACTION.**

10 12-304.

11 (a) (1) A dealer shall submit the required information from each record to
12 the primary law enforcement unit in accordance with subsection (b) of this section.

13 (2) If the dealer transacts business in accordance with § 12-206(b) of
14 this title, the dealer also shall submit the required information from the records to the
15 local law enforcement unit in accordance with subsection (b) of this section.

16 (3) On the request of a dealer, the Secretary shall provide to the dealer
17 a list of local law enforcement units.

18 (b) (1) Subject to paragraph (2) of this subsection, the dealer shall submit
19 the records by transmitting the required information from the records electronically,
20 in a format acceptable to the receiving law enforcement unit, by noon of the next
21 business day.

22 (2) A dealer may request an extension of up to 48 hours to submit the
23 records required under paragraph (1) of this subsection.

24 (c) Each record, submitted to the primary law enforcement unit and, if
25 applicable, local law enforcement unit, shall include:

26 (1) the license number of the dealer;

27 (2) the location of each item listed in the record; and

28 (3) the information required under § 12-302 of this subtitle.

29 (d) The required information from a record submitted under this section:

30 (1) shall be kept confidential;

31 (2) is not a public record; and

1 (3) is not subject to Title 10, Subtitle 6 of the State Government
2 Article.

3 **(E) THE PRIMARY LAW ENFORCEMENT UNIT SHALL ADOPT A**
4 **PROCEDURE FOR A DEALER TO AMEND A RECORD REQUIRED TO BE SUBMITTED**
5 **UNDER THIS SECTION.**

6 **[(e)] (F)** A law enforcement unit may cease to maintain a record submitted
7 under this section after 1 year from the date the law enforcement unit receives the
8 copy.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2011.